



February 25, 2005

## HOUSE BILL No. 1828

DIGEST OF HB 1828 (Updated February 22, 2005 1:53 pm - DI 92)

**Citations Affected:** IC 4-12; IC 6-8.1; noncode.

**Synopsis:** Charitable donations. Increases the number of charitable purposes to which an individual may choose to give all or part of the individual's income tax refund. Establishes the refund contributions trust fund under the administration of the budget agency. Makes a continuing appropriation of the money held in the refund contributions trust fund.

**Effective:** January 1, 2006.

**Austin, Ayres**

January 25, 2005, read first time and referred to Committee on Ways and Means.  
February 24, 2005, reported — Do Pass.

C  
o  
p  
y

HB 1828—LS 7857/DI 113+



February 25, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## HOUSE BILL No. 1828

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-12-13 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2006]:

4 **Chapter 13. Refund Contributions Trust Fund**

5 **Sec. 1. As used in this chapter, "fund" refers to the refund**  
6 **contributions trust fund established by section 2 of this chapter.**

7 **Sec. 2. (a) The refund contributions trust fund is established for**  
8 **the purpose of receiving, holding, and disbursing money as a**  
9 **fiduciary. The budget agency shall administer the fund. The fund**  
10 **consists of:**

11 (1) grants, gifts, and donations intended for deposit in the  
12 fund, including payments from income tax refunds according  
13 to designations under IC 6-8.1-9-4(d);

14 (2) appropriations to further any of the purposes described in  
15 section 3 of this chapter; and

16 (3) interest that accrues from money in the fund.

17 (b) The treasurer of state shall invest the money in the fund not



HB 1828—LS 7857/DI 113+

C  
o  
p  
y

1 currently needed to meet the obligations of the fund in the same  
 2 manner as other public money may be invested. Interest that  
 3 accrues from these investments shall be deposited proportionately  
 4 in the accounts described in section 3 of this chapter.

5 (c) Money in the fund at the end of the state fiscal year does not  
 6 revert to the state general fund.

7 Sec. 3. (a) The child abuse prevention account is established  
 8 within the fund. The budget agency shall make grants from the  
 9 child abuse prevention account to entities in Indiana working to  
 10 prevent child abuse.

11 (b) The Alzheimer's research account is established within the  
 12 fund. The budget agency shall make grants from the Alzheimer's  
 13 research account to entities conducting research on Alzheimer's  
 14 disease.

15 (c) The military family relief account is established within the  
 16 fund. The budget agency shall make grants from the military  
 17 family relief account to entities that provide relief to families with  
 18 a family member in the Indiana national guard or reserves who is  
 19 serving outside the United States.

20 (d) The transitional housing assistance account is established  
 21 within the fund. The budget agency shall make grants from the  
 22 transitional housing assistance account to the Indiana housing  
 23 finance authority for use in the housing from shelters to home  
 24 ownership program.

25 (e) The pediatric cancer research account is established within  
 26 the fund. The budget agency shall make grants from the pediatric  
 27 cancer research account to entities conducting research on cancers  
 28 that afflict children.

29 (f) The adult cancer research account is established within the  
 30 fund. The budget agency shall make grants from the adult cancer  
 31 research account to entities conducting research on cancers that  
 32 afflict adults.

33 Sec. 4. Money in the fund is annually appropriated for the  
 34 purposes described in section 3 of this chapter.

35 SECTION 2. IC 6-8.1-9-4 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) Every  
 37 individual (other than a nonresident) who files an individual income  
 38 tax return and who is entitled to a refund from the ~~Indiana~~ department  
 39 of ~~state~~ revenue because of the overpayment of income tax for a  
 40 taxable year may designate on ~~his~~ **the individual's** annual state income  
 41 tax return that either ~~a specific amount~~ **amounts** or all of the refund to  
 42 which ~~he~~ **the individual** is entitled shall be paid over to **one (1) or**

C  
o  
p  
y



1 ~~more of the nongame fund funds or accounts described in subsection~~  
 2 ~~(d). In the event that the individual designates that a certain amount~~  
 3 ~~shall be paid over to the nongame fund and If the refund to which he~~  
 4 ~~the individual~~ is entitled is less than the ~~total~~ amount designated by  
 5 ~~the individual to be paid over to one (1) or more of the funds or~~  
 6 ~~accounts described in subsection (d), such designation shall mean~~  
 7 ~~that all of the refund to which he the individual is entitled shall be paid~~  
 8 ~~over to the nongame fund designated funds or accounts, but in an~~  
 9 ~~amount or amounts reduced proportionately for each designated~~  
 10 ~~fund or account. If an individual designates all of the refund to~~  
 11 ~~which the individual is entitled to be paid over to one (1) or more~~  
 12 ~~of the funds or accounts described in subsection (d), without~~  
 13 ~~designating specific amounts, the refund to which the individual is~~  
 14 ~~entitled shall be paid over to each fund and account described in~~  
 15 ~~subsection (d) in an amount equal the refund divided by the~~  
 16 ~~number of funds and accounts described in subsection (d), rounded~~  
 17 ~~to the lowest cent, with any part of the refund remaining due to the~~  
 18 ~~effects of rounding to be deposited in the nongame fund.~~

19 (b) Every husband and wife (other than nonresidents) who file a  
 20 joint income tax return and who are entitled to a refund from the  
 21 Indiana department of revenue because of the overpayment of income  
 22 tax for a taxable year may designate on their annual state income tax  
 23 return that either a specific amount or all of the refund to which they  
 24 are entitled shall be paid over to **one (1) or more of the nongame fund**  
 25 **funds or accounts described in subsection (d).** ~~In the event that the~~  
 26 ~~husband and wife designate that a certain amount shall be paid over to~~  
 27 ~~the nongame fund and If the refund to which they a husband and wife~~  
 28 ~~are entitled is less than the total amount designated such designation~~  
 29 ~~shall mean that by the husband and wife to be paid over to one (1)~~  
 30 **or more of the funds or accounts described in subsection (d),** all of  
 31 the refund to which ~~they the husband and wife~~ are entitled shall be  
 32 paid over to the ~~nongame fund~~ **designated funds and accounts, but in**  
 33 **an amount or amounts reduced proportionately for each**  
 34 **designated fund or account. If a husband and wife designate all of**  
 35 **the refund to which the husband and wife are entitled to be paid**  
 36 **over to one (1) or more of the funds or accounts described in**  
 37 **subsection (d), without designating specific amounts, the refund to**  
 38 **which the husband and wife are entitled shall be paid over to each**  
 39 **fund and account described in subsection (d) in an amount equal**  
 40 **to the refund divided by the number of funds and accounts**  
 41 **described in subsection (d), rounded to the lowest cent, with any**  
 42 **part of the refund remaining due to the effects of rounding to be**

C  
o  
p  
y



1 **deposited in the nongame fund.**

2 (c) The instructions for the preparation of individual income tax  
3 returns shall contain a description of the purposes of **the following:**

4 (1) The nongame and endangered species program, ~~which is~~ **The**  
5 **description of this program shall be** written in cooperation with  
6 the department of natural resources.

7 (2) **The entities selected by the budget agency to receive**  
8 **money from the accounts described in IC 4-12-13-3.**

9 (d) **A taxpayer may designate under subsection (a) or (b) that all**  
10 **or part of the taxpayer's refund be paid over to one (1) or more of**  
11 **the following funds and accounts:**

12 (1) **The nongame fund.**

13 (2) **One (1) or more of the following accounts in the refund**  
14 **contributions trust fund established by IC 4-12-13-2:**

15 (A) **The child abuse prevention account.**

16 (B) **The Alzheimer's research account.**

17 (C) **The military family relief account.**

18 (D) **The transitional housing assistance account.**

19 (E) **The pediatric cancer research account.**

20 (F) **The adult cancer research account.**

21 (e) **The department shall interpret a designation on a return by**  
22 **a taxpayer under subsection (a) or (b) that is illegible or otherwise**  
23 **not reasonably discernible to the department as if the designation**  
24 **had not been made.**

25 **SECTION 3. [EFFECTIVE JANUARY 1, 2006] IC 6-8.1-9-4, as**  
26 **amended by this act, applies only to returns associated with taxable**  
27 **years beginning after December 31, 2005.**

**C**  
**O**  
**P**  
**Y**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1828, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

ESPICH, Chair

Committee Vote: yeas 21, nays 0.

**C  
o  
p  
y**

